

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

IN RE:	§	
	§	
CAFÉ ANNICE, INC.	§	CASE NO. 10-33251-H5-11
	§	
DEBTOR	§	

AFFIDAVIT OF LEONARD BOTELLO

<u>STATE OF TEXAS</u>	§	
	§	KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS	§	

I, Leonard Botello, am over eighteen (18) years of age, competent to make this Affidavit and have personal knowledge of the facts attested to herein and that they are true and correct:

- “1. My wife and I are 50% shareholders and day to day managers for the business operated by Café Annice, Inc. That business is an upscale restaurant in Lake Jackson, Texas. The other 50% shareholder is my wife’s mother who is not involved in the day to day operations of the business.
2. The business has been struggling since 2008 economically and has fallen seriously behind in the payment of payroll taxes.
3. My wife and I have gotten the information to our accountant, Bob Domec, that would permit him to prepare the 2008 corporate tax return and the 2009 corporate tax return as well as accompanying profit and loss and balance sheets.
4. My wife and I have not prepared to any profit and loss or cash flow statement for this same period of time and do not have the knowledge or ability to do so.
5. My wife and I have turned over the financial information requested by Mr. Domec to permit him to prepare this information for 2008 and we are working on getting the information together for him to prepare the 2009 tax return and financials.
6. My wife and I are also working with Mr. Domec and with Mrs. Rogers, our bankruptcy attorney to develop a system of simple accounting that will permit us to keep our books up to date on a weekly basis to determine whether we are

operating at a profit or losing money.

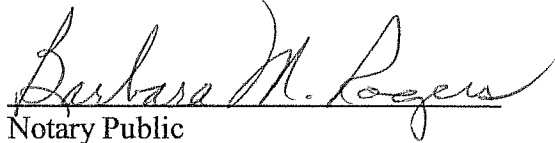
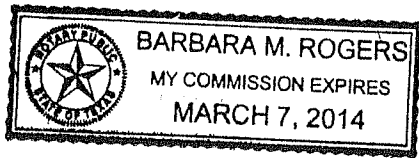
7. Attached to this affidavit is the balance sheet for December 31, 2007 and filed separately is the tax return that was filed for the tax year 2007.”

Further affiant sayeth not.



Leonard Botello, Treasurer
Café Annice, Inc.

SUBSCRIBED AND SWORN TO BEFORE ME, by the said Leonard Botello, Treasurer of Café Annice, Inc., on this 6th day of May, 2010, to certify which witness my hand and seal of office.



Notary Public
In and for the State of Texas

9/11/2008
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Cafe Annice, Inc.
Balance Sheet
Dec 30, 2007

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LIABILITIES AND EQUITY

LIABILITIES

CURRENT LIABILITIES

A/P - EMPLOYEE DEDUCTIONS	97.26 ^
UNCLAIMED PROPERTY	11,660.60 ^
GIFT CERTIFICATES	3,534.85 ^
PAYROLL TAXES PAYABLE	70,528.16 ^
PAYROLL PAYABLE	7,226.84 ^
SALES TAX PAYABLE	16,850.47 ^
INTEREST PAYABLE	243,695.79 ^

TOTAL CURRENT LIABILITIES 353,693.97

LONG TERM DEBT

NOTE PAYABLE-TGB	5,008.98
NOTE PAYABLE - FIRST FUNDS	84,487.92
NOTE PAYABLE-V LONG	258,510.00

TOTAL LONG TERM DEBT 348,006.90 ^

TOTAL LIABILITIES 701,700.87

STOCKHOLDERS EQUITY

CAPITAL STOCK	70,750.00
ADDITIONAL PAID IN CAPITAL	23,383.48
RETAINED EARNINGS	(256,739.17)
CURRENT EARNINGS	(106,983.37)

TOTAL STOCKHOLDERS EQUITY (269,589.06)

TOTAL LIABILITIES & EQUITY 432,131.81

These statements are prepared without audit

9/11/2008
5:10 PMCafe Annice, Inc.
Balance Sheet
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ASSETS

CURRENT ASSETS

STORE CHANGE FUND	900.00
CASH IN BANK-TX GULF BANK	(12,371.12)
CASH-TGB CD	9,323.73
A/R-OFFICERS	322,830.48
INVENTORY-OTHER FOOD	2,706.95
TOTAL CURRENT ASSETS	323,380.04

PROPERTY AND EQUIPMENT

EQUIPMENT	162,206.03
LEASEHOLD IMPROVEMENTS	140,864.70
ACCUMULATED DEPRECIATION	(200,728.96)
NET PROPERTY AND EQUIPMENT	102,341.77

OTHER ASSETS

REFUNDABLE DEPOSITS	6,400.00
TOTAL OTHER ASSETS	6,400.00

TOTAL ASSETS

432,131.81

These statements are prepared without audit